



HEALTH QUARTERLY STATEMENT

AS OF MARCH 31, 2019  
OF THE CONDITION AND AFFAIRS OF THE

Maine Community Health Options

NAIC Group Code00000000NAIC Company Code15077Employer's ID Number45-3416923

Organized under the Laws ofMaine, State of Domicile or Port of EntryME

Country of DomicileUnited States of America

Licensed as business type:Life, Accident & Health

Is HMO Federally Qualified? Yes [ ] No [ X ]

Incorporated/Organized09/26/2011Commenced Business01/01/2014

Statutory Home Office150 Mill Street, Suite 3Lewiston, ME, US 04240

Main Administrative Office150 Mill Street, Suite 3Lewiston, ME, US 04240

Mail AddressPO Box 1121Lewiston, ME, US 04243-1121

Primary Location of Books and Records150 Mill Street, Suite 3Lewiston, ME, US 04240

Internet Website Addresswww.healthoptions.org

Statutory Statement ContactJoanne Lauterbach207-330-2390

OFFICERS

Chief Executive OfficerKevin LewisChief Information OfficerWilliam Kilbreth

Chief Operating OfficerRobert J HillmanChief Financial OfficerEdward J Vozzo

OTHER

Edward Yoon, MD, Chief Medical Officer

DIRECTORS OR TRUSTEES

Fred Craigie Dr.	Michael DeLorenzo	Judiann Ferretti Smith #
Sarah Hines	Holly Korda #	Robert Lorenzo
Heidi Lukas	Rocell Marcellino	Jeff Norris
Sharon Reishus #	David Shipman	David Shultz
W. Douglas Smith	Mitchell Stein #	Lisa Tapert
Ronnie Weston	Douglas Wilson	

State ofMaineSS:

County ofAndroscoggin

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Kevin LewisEdward Vozzo

Chief Executive OfficerChief Financial Officer

Subscribed and sworn to before me thisa. Is this an original filing? Yes [ X ] No [ ]

day ofb. If no,1. State the amendment number.....

2. Date filed .....

3. Number of pages attached.....

Carrie Bolduc  
Notary  
08/2020

STATEMENT AS OF MARCH 31, 2019 OF THE Maine Community Health Options

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	62,427,163		62,427,163	64,177,338
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	0
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens.....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....28,710,557 ), cash equivalents (\$ .....78,148,306 ) and short-term investments (\$ .....2,000,000 ) .....	108,858,863		108,858,863	97,227,688
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....			0	0
8. Other invested assets .....	225,000	225,000	0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	171,511,026	225,000	171,286,026	161,405,026
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	402,287		402,287	430,334
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	2,667,333	262,729	2,404,604	3,288,838
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	0
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ .....53,435 ) .....	254,676	201,241	53,435	53,435
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	7,517,127		7,517,127	558,485
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset .....			0	0
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....	653,345		653,345	755,661
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	751,993	751,993	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....			0	0
24. Health care (\$ .....3,156,222 ) and other amounts receivable .....	3,542,830	386,608	3,156,222	3,978,503
25. Aggregate write-ins for other than invested assets .....	2,163,782	1,974,697	189,085	189,085
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	189,464,399	3,802,268	185,662,131	170,659,367
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27)	189,464,399	3,802,268	185,662,131	170,659,367
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Sales Taxes Receivable .....	189,085		189,085	189,085
2502. Prepaid Expenses .....	1,766,852	1,766,852	0	0
2503. Miscellaneous Receivables .....	192,261	192,261	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	15,584	15,584	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	2,163,782	1,974,697	189,085	189,085

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ .....447,000 reinsurance ceded) .....	35,710,587		35,710,587	45,180,712
2. Accrued medical incentive pool and bonus amounts .....	110,000		110,000	317,328
3. Unpaid claims adjustment expenses .....	826,214		826,214	1,051,887
4. Aggregate health policy reserves, including the liability of \$ .....0 for medical loss ratio rebate per the Public Health Service Act .....	72,576,000		72,576,000	56,400,000
5. Aggregate life policy reserves .....			0	0
6. Property/casualty unearned premium reserve .....			0	0
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....	5,118,634		5,118,634	5,488,975
9. General expenses due or accrued .....	4,277,064		4,277,064	3,552,598
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized gains (losses)) .....			0	0
10.2 Net deferred tax liability .....			0	0
11. Ceded reinsurance premiums payable .....	3,824,333		3,824,333	0
12. Amounts withheld or retained for the account of others.....	304,046		304,046	580,288
13. Remittances and items not allocated .....			0	0
14. Borrowed money (including \$ .....186,102 current) and interest thereon \$ ..... (including \$ ..... current) .....	605,904		605,904	658,971
15. Amounts due to parent, subsidiaries and affiliates .....			0	0
16. Derivatives .....			0	0
17. Payable for securities .....			0	0
18. Payable for securities lending .....			0	0
19. Funds held under reinsurance treaties (with \$ ..... authorized reinsurers, \$ .....0 unauthorized reinsurers and \$ .....0 certified reinsurers).....			0	0
20. Reinsurance in unauthorized and certified (\$ ..... ) companies .....			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
22. Liability for amounts held under uninsured plans .....			0	0
23. Aggregate write-ins for other liabilities (including \$ ..... current) .....	113,761	0	113,761	95,052
24. Total liabilities (Lines 1 to 23) .....	123,466,543	0	123,466,543	113,325,811
25. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	0
26. Common capital stock .....	XXX	XXX		
27. Preferred capital stock .....	XXX	XXX		
28. Gross paid in and contributed surplus .....	XXX	XXX		
29. Surplus notes .....	XXX	XXX	132,316,124	132,316,124
30. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
31. Unassigned funds (surplus) .....	XXX	XXX	(70,120,536)	(74,982,568)
32. Less treasury stock, at cost:				
32.1 ..... shares common (value included in Line 26 \$ ..... ) .....	XXX	XXX		
32.2 ..... shares preferred (value included in Line 27 \$ ..... ) .....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32) .....	XXX	XXX	62,195,588	57,333,556
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	185,662,131	170,659,367
DETAILS OF WRITE-INS				
2301. Risk Adjustment User Fee Payable .....	113,761		113,761	95,052
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	113,761	0	113,761	95,052
2501. ....	XXX	XXX		
2502. ....	XXX	XXX		
2503. ....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	XXX	XXX	0	0
3001. ....	XXX	XXX		
3002. ....	XXX	XXX		
3003. ....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months .....	XXX	124,734	165,861	633,678
2. Net premium income ( including \$ ..... non-health premium income).....	XXX	68,335,128	103,867,849	379,263,309
3. Change in unearned premium reserves and reserve for rate credits.....	XXX			
4. Fee-for-service (net of \$ ..... medical expenses).....	XXX			
5. Risk revenue .....	XXX			
6. Aggregate write-ins for other health care related revenues .....	XXX	0	329,771	1,052,693
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	68,335,128	104,197,620	380,316,002
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....		29,836,142	14,448,689	189,246,113
10. Other professional services .....		1,202,358	2,867,372	9,197,704
11. Outside referrals .....		527	170	217,013
12. Emergency room and out-of-area .....		11,294,548	53,135,498	47,971,251
13. Prescription drugs .....		6,451,666	6,183,549	38,150,025
14. Aggregate write-ins for other hospital and medical .....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts .....		110,000	71,262	457,997
16. Subtotal (Lines 9 to 15) .....	0	48,895,241	76,706,540	285,240,103
<b>Less:</b>				
17. Net reinsurance recoveries .....		7,281,616		1,979,377
18. Total hospital and medical (Lines 16 minus 17) .....	0	41,613,625	76,706,540	283,260,726
19. Non-health claims (net) .....				
20. Claims adjustment expenses, including \$ .....2,245,761 cost containment expenses .....		3,411,077	3,586,152	18,515,638
21. General administrative expenses .....		9,266,550	11,739,216	37,732,988
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only) .....		11,100,000		15,800,000
23. Total underwriting deductions (Lines 18 through 22).....	0	65,391,252	92,031,908	355,309,352
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	2,943,876	12,165,712	25,006,650
25. Net investment income earned .....		788,763	182,982	1,851,075
26. Net realized capital gains (losses) less capital gains tax of \$ .....			4,843	9,909
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	788,763	187,825	1,860,984
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ .....29,568 ) (amount charged off \$ ..... )]......		29,568	(91,663)	(1,580,815)
29. Aggregate write-ins for other income or expenses .....	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX	3,762,207	12,261,874	25,286,819
31. Federal and foreign income taxes incurred .....	XXX			
32. Net income (loss) (Lines 30 minus 31) .....	XXX	3,762,207	12,261,874	25,286,819
<b>DETAILS OF WRITE-INS</b>				
0601. User Fee Revenue – Contraceptive Claims .....	XXX	0	329,771	1,052,693
0602. ....	XXX			
0603. ....	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above) .....	XXX	0	329,771	1,052,693
0701. ....	XXX			
0702. ....	XXX			
0703. ....	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798)(Line 7 above) .....	XXX	0	0	0
1401. ....				
1402. ....				
1403. ....				
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above) .....	0	0	0	0
2901. ....				
2902. ....				
2903. ....				
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above) .....	0	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
CAPITAL AND SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year.....	57,333,556	33,734,794	33,734,794
34. Net income or (loss) from Line 32 .....	3,762,207	12,261,874	25,286,819
35. Change in valuation basis of aggregate policy and claim reserves .....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....			
37. Change in net unrealized foreign exchange capital gain or (loss) .....			
38. Change in net deferred income tax .....			
39. Change in nonadmitted assets .....	1,099,825	(26,211)	(1,688,057)
40. Change in unauthorized and certified reinsurance .....	0	0	0
41. Change in treasury stock .....	0	0	0
42. Change in surplus notes .....	0	0	0
43. Cumulative effect of changes in accounting principles.....			
44. Capital Changes:			
44.1 Paid in .....		0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0	0
44.3 Transferred to surplus.....			
45. Surplus adjustments:			
45.1 Paid in .....	0	0	0
45.2 Transferred to capital (Stock Dividend) .....			
45.3 Transferred from capital .....			
46. Dividends to stockholders .....			
47. Aggregate write-ins for gains or (losses) in surplus .....	0	0	0
48. Net change in capital & surplus (Lines 34 to 47) .....	4,862,032	12,235,663	23,598,762
49. Capital and surplus end of reporting period (Line 33 plus 48)	62,195,588	45,970,457	57,333,556
DETAILS OF WRITE-INS			
4701. ....			
4702. ....			
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	0	0	0

STATEMENT AS OF MARCH 31, 2019 OF THE Maine Community Health Options

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	77,603,338	105,812,522	418,514,220
2. Net investment income .....	646,625	121,712	1,738,026
3. Miscellaneous income .....	0	329,771	1,052,693
4. Total (Lines 1 to 3) .....	78,249,963	106,264,005	421,304,939
5. Benefit and loss related payments .....	58,249,720	50,953,049	263,639,805
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	12,028,905	10,785,209	58,068,463
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	0	0	0
10. Total (Lines 5 through 9) .....	70,278,625	61,738,258	321,708,268
11. Net cash from operations (Line 4 minus Line 10) .....	7,971,338	44,525,747	99,596,671
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	1,800,000	800,000	13,400,000
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	22,343	44,909
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	1,800,000	822,343	13,444,909
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	0	0	41,093,530
13.2 Stocks .....	0	0	0
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	0	0	155,000
13.6 Miscellaneous applications .....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	0	0	41,248,530
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	1,800,000	822,343	(27,803,621)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0	0
16.3 Borrowed funds .....	(53,067)	(75,601)	(247,557)
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied) .....	1,912,904	(1,078,800)	(575,337)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	1,859,837	(1,154,401)	(822,894)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) ..	11,631,175	44,193,689	70,970,156
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	97,227,688	26,257,532	26,257,532
19.2 End of period (Line 18 plus Line 19.1) .....	108,858,863	70,451,221	97,227,688

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1  Total	Comprehensive (Hospital & Medical)		4  Medicare Supplement	5  Vision Only	6  Dental Only	7  Federal Employees Health Benefit Plan	8  Title XVIII Medicare	9  Title XIX Medicaid	10  Other
		2  Individual	3  Group							
Total Members at end of:										
1. Prior Year .....	50,052	39,753	10,299	0	0	0	0	0	0	0
2. First Quarter .....	40,398	30,436	9,962							
3. Second Quarter .....	0									
4. Third Quarter .....	0									
5. Current Year	0									
6. Current Year Member Months	124,734	94,638	30,096							
Total Member Ambulatory Encounters for Period:										
7 Physician .....	47,969	36,226	11,743							
8. Non-Physician .....	20,775	15,587	5,188							
9. Total	68,744	51,813	16,931	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	1,546	1,252	294							
11. Number of Inpatient Admissions	370	296	74							
12. Health Premiums Written (a) .....	72,748,247	59,618,176	13,130,071							
13. Life Premiums Direct .....	0									
14. Property/Casualty Premiums Written .....	0									
15. Health Premiums Earned .....	72,748,247	59,618,176	13,130,071							
16. Property/Casualty Premiums Earned .....	0									
17. Amount Paid for Provision of Health Care Services.....	58,028,370	47,804,156	10,224,214							
18. Amount Incurred for Provision of Health Care Services	48,895,241	39,338,774	9,556,467							

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ .....

## CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

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UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid Dec. 31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....	31,079,219	23,437,361	8,397,299	27,313,288	39,476,518	45,180,712
2. Medicare Supplement .....					0	0
3. Dental Only .....					0	0
4. Vision Only .....					0	0
5. Federal Employees Health Benefits Plan .....					0	0
6. Title XVIII - Medicare .....					0	0
7. Title XIX - Medicaid .....					0	0
8. Other health .....					0	0
9. Health subtotal (Lines 1 to 8) .....	31,079,219	23,437,361	8,397,299	27,313,288	39,476,518	45,180,712
10. Healthcare receivables (a) .....	2,097,075	1,445,755			2,097,075	0
11. Other non-health .....					0	0
12. Medical incentive pools and bonus amounts .....	317,328			110,000	317,328	317,328
13. Totals (Lines 9-10+11+12)	29,299,472	21,991,606	8,397,299	27,423,288	37,696,771	45,498,040

(a) Excludes \$ loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

For purposes of the quarterly interim financial information, it is presumed that the users of the interim financial information have read or have access to the Annual Statement as of December 31, 2018. This presentation addresses only significant events occurring since the last Annual Statement.

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying financial statements of Maine Community Health Options (the “Company”) have been prepared in conformity with the National Association of Insurance Commissioners’ (“NAIC”) *Annual Statement Instructions* and in accordance with accounting practices prescribed by the NAIC *Accounting Practices and Procedures Manual* (“NAIC SAP”), subject to any deviations prescribed or permitted by the Maine Bureau of Insurance (the “Bureau”).

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the Bureau is shown below:

		SSAP #	F/S Page	F/S Line	March 31, 2019	December 31, 2018
NET INCOME (LOSS)						
(1)	Company state basis (Page 4, Line 32, Columns 2 & 4)	XXX	XXX	XXX	\$3,762,207	\$25,286,819
(2)	State Prescribed Practices that are an increase/(decrease) from NAIC SAP				—	—
(3)	State Permitted Practices that are an increase/(decrease) from NAIC SAP				—	—
(4)	NAIC SAP (1-2-3=4)				\$3,762,207	\$25,286,819
SURPLUS						
(5)	Company state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$62,195,588	\$57,333,556
(6)	State Prescribed Practices that are increase/(decrease) from NAIC SAP				—	—
(7)	State Permitted Practices that are an increase/(decrease) from NAIC SAP				—	—
(8)	NAIC SAP (5-6-7=8)				\$62,195,588	\$57,333,556

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with NAIC Annual Statement Instructions and NAIC SAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. Accounting Policy

Health premiums are earned over the term of the related insurance policies and reinsurance contracts. Premiums written are reported net of excess loss reinsurance ceded and experience rating refunds. Premiums paid by subscribers prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates are subject to approval by the Bureau. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. All other costs, including underwriting expenses, are charged to operations as incurred.

**NOTES TO FINANCIAL STATEMENTS**

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In addition, the Company uses the following accounting policies:

- 1) Short-term investments include investments with maturities of less than one year at the date of acquisition and are reported at amortized cost, which approximates fair value.
- 2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the scientific interest method, using yield to maturity.
- 3) The Company has no investments in common stocks of unaffiliated companies.
- 4) The Company has no investments in preferred stocks.
- 5) The Company has no mortgage loans on real estate.
- 6) The Company has no investments in loan-backed securities.
- 7) The Company has no investments in subsidiaries, controlled and affiliated entities.
- 8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- 9) The Company has no derivative instruments.
- 10) The Company uses anticipated investment income as a factor in the premium deficiency reserve calculation.
- 11) Unpaid claims and claims adjustment expenses included management's best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates. While management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
- 12) The Company has not modified its capitalization policy from the prior period.
- 13) Pharmaceutical rebate receivables are recorded when earned based on actual rebate receivables billed and an estimate of receivables based on current utilization of specific pharmaceuticals and provider contract terms.

**D. Going Concern**

Not applicable.

**2. Accounting Changes and Corrections of Errors**

There were no accounting changes or corrections of errors during the three months ended March 31, 2019.

**3. Business Combinations and Goodwill**

**A. Statutory Purchase Method**

Not Applicable.

**B. Statutory Merger**

Not Applicable.

**C. Assumption Reinsurance**

Not Applicable.

**D. Impairment Loss**

Not Applicable.

**NOTES TO FINANCIAL STATEMENTS**

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**4. Discontinued Operations**

Not Applicable.

**5. Investments**

**A. Mortgage Loans, Including Mezzanine Real Estate Loans**

The Company did not have investments in mortgage loans at March 31, 2019.

**B. Debt Restructuring**

The Company did not have invested assets that were restructured debt at March 31, 2019.

**C. Reverse Mortgages**

The Company did not have investments in reverse mortgages at March 31, 2019.

**D. Loan-Backed Securities**

The Company did not have investments in loan-backed securities at March 31, 2019.

**E. Dollar Repurchase Agreements and/or Securities Lending Transactions**

- (1) The Company did not have any repurchase agreements at March 31, 2019.
- (2) Not applicable.
- (3) Neither the Company nor its agent has accepted collateral that is permitted by contract or custom to sell or re-pledge as of March 31, 2019.
- (4) Not applicable.
- (5) Not applicable.
- (6) Not applicable.
- (7) Not applicable.

**F. Repurchase Agreements Transactions Accounted for as Secured Borrowing**

The Company did not enter into repurchase agreement transactions accounted for as a secured borrowing at March 31, 2019.

**G. Reverse Repurchase Agreements Transaction Accounted for as Secured Borrowing**

The Company did not enter into reverse repurchase agreement transactions accounted for as a secured borrowing at March 31, 2019.

**H. Repurchase Agreements Transactions Accounted for as a Sale**

The Company did not enter into repurchase agreements accounted for as a sale at March 31, 2019.

**I. Reverse Repurchase Agreements Transactions Accounted for a Sale**

The Company did not enter into reverse repurchase agreements accounted for as a sale at March 31, 2019.

**J. Real Estate**

The Company did not have investments in real estate at March 31, 2019.

**NOTES TO FINANCIAL STATEMENTS**

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**K. Low-Income Housing Tax Credits (LIHTC)**

The Company did not invest in properties generating low-income housing tax credits during the three months ended March 31, 2019.

**L. Restricted Assets**

There were no significant changes for the three months ended March 31, 2019.

**M. Working Capital Finance Investments**

The Company did not have any working capital finance investments at March 31, 2019.

**N. Offsetting and Netting of Assets and Liabilities**

The Company did not have any offsetting and netting of financial assets or liabilities at March 31, 2019.

**O. Structured Notes**

The Company did not have any structured notes at March 31, 2019.

**P. 5\* Securities**

The Company did not have any 5\* securities at March 31, 2019.

**Q. Short Sales**

The Company did not have any short sales at March 31, 2019.

**R. Prepayment Penalty and Acceleration Fees**

The Company did not have any prepayment penalty or acceleration fees at March 31, 2019.

**6. Joint Ventures, Partnerships and Limited Liability Companies**

There were no significant changes for the three months ended March 31, 2019.

**7. Investment Income**

There were no significant changes for the three months ended March 31, 2019.

**8. Derivative Instruments**

There were no significant changes for the three months ended March 31, 2019.

**NOTES TO FINANCIAL STATEMENTS**

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**9. Income Taxes**

The Company is exempt from Federal income taxes under Section 501(c)(29) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Company's federal income tax return is not consolidated with any other entity.

**10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

There were no significant changes for the three months ended March 31, 2019.

**11. Debt****A. Debt, including Capital Notes**

At March 31, 2019 and December 31, 2018, the Company had outstanding a note payable, with a face value and a carry value of \$308,145 and \$324,675 to Mill 2 Storehouse, LLC, for expenses related to leasehold improvements. The note payable was issued May 1, 2014 (the commencement date) and is payable in monthly principal and interest payments of \$7,106 until April 2023. The note is contingent upon the Company remaining in the leased space. If the Company does not renew the lease after the initial five-year term, the note will become due 60 days after cancellation. The note carries interest at 6%. As March 31, 2019 and December 31, 2018, the Company paid interest of \$4,788 and \$21,570 on this note.

At March 31, 2019 and December 31, 2018, the Company had outstanding a note payable, with a face value and a carry value of \$231,996 and \$244,441 to Mill 2 Storehouse, LLC, for expenses related to leasehold improvements. The note payable was issued October 1, 2014 (the commencement date) and is payable in monthly principal and interest payments of \$5,350 until April 2023. The note is contingent upon the Company remaining in the leased space. If the Company does not renew the lease after the initial five-year term, the note will become due 60 days after cancellation. The note carries interest at 6%. As March 31, 2019 and December 31, 2018, the Company paid interest of \$3,605 and \$16,239 on this note. This note is off-set against leasehold improvements in line 21 of the Asset Schedule.

At March 31, 2019 and December 31, 2018, the Company had outstanding a note payable, with a face value and a carry value of \$65,763 and \$89,855 to Key Equipment Corporation for equipment. The note payable was issued October 14, 2014 (the commencement date) and is payable in monthly principal and interest payments of \$8,378 until November 2019. The note carries interest at 5.1%. As March 31, 2019 and December 31, 2018, the Company paid interest of \$1,044 and \$7,182 on this note.

**B. FHLB (Federal Home Loan Bank) Agreements**

The Company had no FHLB Agreements at March 31, 2019.

**12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans****A. Defined Benefit Plan**

Not Applicable

**B. Defined Benefit Plan Investment Policies and Strategies**

Not Applicable

**C. Defined Benefit Plan Fair Value of Assets**

Not Applicable

## NOTES TO FINANCIAL STATEMENTS

**D. Defined Benefit Plan Basis Used to Determine the Overall Expected Rate of Return on Assets Assumption**

Not Applicable

**E. Defined Contribution Plan:**

The Company maintains a Section 401(k) Retirement Plan for its employees. Elective employee deferrals were matched by the Company in an amount equal to 100% of such deferrals up to a maximum match of 3% of compensation plus 50% of such elective deferrals equal to more than 3% but not exceeding 5% of compensation. The Company's contribution to the plan as of March 31, 2019 was \$82,772.

The Company has a Section 457 (b) Plan for its employees. This Plan limits participation to a select group of management or highly compensated employees (or "top hat" group) and is exempt from most ERISA requirements.

At March 31, 2019 and December 31, 2018, the value of the Plan funds was \$162,500 and \$162,500, respectively. As of March 31, 2019 and December 31, 2018 the fair market value of the funds is \$194,951 and \$180,717, respectively.

**F. Multiemployer Plans**

Not Applicable

**G. Consolidating/Holding Company Plans**

Not Applicable

**H. Postemployment Benefits and Compensated Absences**

Liabilities for earned not yet taken vacation benefits have been accrued as of March 31, 2019.

**I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)**

Not Applicable

**13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations****(1) – (8)**

No significant change.

**(9) Changes in Special Surplus Funds**

No significant change.

**(10) – (13)**

No significant change.

**NOTES TO FINANCIAL STATEMENTS**

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**14. Liabilities, Contingencies and Assessments**

There were no significant changes for the three months ended March 31, 2019.

**15. Leases**

There were no significant changes for the three months ended March 31, 2019.

**16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk**

The Company had no financial instruments with off-balance sheet risk at March 31, 2019.

**17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

**A. Transfers of Receivables Reported as Sales**

Not applicable at March 31, 2019.

**B. Transfer and Servicing of Financial Assets**

(1) There were no significant changes for the three months ended March 31, 2019.

(2) - (7) Not Applicable.

**C. Wash Sales**

(1) In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the sale date to enhance yield on the investments.

(2) At March 31, 2019, there were no wash sales involving securities with an NAIC designation of 3 or below or unrated.

**18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**

**A. Administrative Services Only Plans:** Not Applicable.

**B. Administrative Services Contract Plans:** Not Applicable.

**C. Medicare or Similarly Structured Cost-Based Reimbursement Contract:** Not Applicable



NOTES TO FINANCIAL STATEMENTS

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not applicable.

20. Fair Value Measurements

A. Fair Value Measurements

The Company had no material assets or liabilities measured and reported at fair value at March 31, 2019.

B. Fair Value Measurements Under Other Accounting Pronouncements

The Company had no material assets or liabilities measured and reported at fair value at March 31, 2019.

C. Financial Instruments

The carrying values and estimated fair values of the Company’s financial instruments at March 31, 2019 were as follows:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$64,888,010	\$62,427,163	\$-----	\$64,888,010	\$-----	\$-----	\$-----
Short-term Investments	\$80,148,306	\$80,148,306	\$80,148,306	\$-----	\$-----	\$-----	\$-----

D. Not Practicable to Estimate Fair Value

There are no financial instruments that were not practicable to estimate at fair value at March 31, 2019.

E. Investment Measured Using the NAV Practical Expedient

The Company had no investments using the NAV practical Expedient at March 31, 2019.

21. Other Items

No significant change.

22. Events Subsequent

Subsequent events have been considered through May 13, 2019 for the statutory statements issued on May 14, 2019. There were no additional events occurring subsequent to March 31, 2019 requiring disclosure.

23. Reinsurance

Effective January 1, 2019, the Company began participating in the Maine Guaranteed Access Reinsurance Association, which provides reinsurance for a portion of the Company’s high-risk individual health business.

NOTES TO FINANCIAL STATEMENTS

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. Not applicable at March 31, 2019.
- B. Not applicable at March 31, 2019.
- C. Not applicable at March 31, 2019.
- D. The Company had no medical loss rebate accruals at March 31, 2019.
- E. Risk Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO)? Yes

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

	<u>AMOUNT</u>
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	\$ 0
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	18,710
3. Premium adjustments payable due to ACA Risk Adjustment	5,076,000
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	5,076,000
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	18,710
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	0
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	0
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	0
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium .	0
5. Ceded reinsurance premiums payable due to ACA Reinsurance	0
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	0
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	0
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	0
9. ACA Reinsurance contributions – not reported as ceded premium	0
c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	0
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	0
Operations (Revenue & Expense)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	0
4. Effect of ACA Risk Corridors on change in reserves for rate credits	0

NOTES TO FINANCIAL STATEMENTS

(3) Roll forward of prior year ACA risk sharing provisions for the following asset (gross of any non-admission) and liability balances along with the reasons for adjustments to prior year balance.

	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
	1	2	3	4	Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)
					5	6	7	8	Ref	9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable .....	53,435	0	0	0	0	0	0	0	A	53,435	0
2. Premium adjustments (payable) .....		0	0	0	0	0	0	0	B		0
3. Subtotal ACA Permanent Risk Adjustment Program .....	53,435	0	0	0	0	0	0	0		53,435	0
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid .....	119,107	0	0	0	119,107	0	0	0	C	119,107	0
2. Amounts recoverable for claims unpaid (contra liability) .....		0	0	0	0	0	0	0	D		0
3. Amounts receivable relating to uninsured plans .....		0	0	0	0	0	0	0	E		0
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium .....		0	0	0	0	0	0	0	F		0
5. Ceded reinsurance premiums payable .....		0	0	0	0	0	0	0	G		0
6. Liability for amounts held under uninsured plans ..		0	0	0	0	0	0	0	H		0
7. Subtotal ACA Transitional Reinsurance Program ....	119,107	0	0	0	119,107	0	0	0		119,107	0
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium .....	201,241	0	0	0	201,241	0	0	0	I	201,241	0
2. Reserve for rate credits or policy experience rating refunds .....		0	0	0	0	0	0	0	J		0
3. Subtotal ACA Risk Corridors Program .....	201,241	0	0	0	201,241	0	0	0		201,241	0
d. Total for ACA Risk Sharing Provisions .....	373,783	0	0	0	373,783	0	0	0		373,783	0

Explanation of Adjustments

- A Adjustment was made to reflect the ending balance as reported in the CMS "Summary Report on Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers for the 2017 Benefit Year"
- B Adjustment was made to reflect the ending balance as reported in the CMS "Summary Report on Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers for the 2017 Benefit Year"
- C Not Applicable
- D Not Applicable
- E Not Applicable
- F Not Applicable
- G Not Applicable
- H Not Applicable
- I Not Applicable
- J Not Applicable

NOTES TO FINANCIAL STATEMENTS

(4) Roll forward of Risk Corridors Asset and Liability Balances by Program Benefit Year.

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)	
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. 2014											
1. Accrued retrospective premium .....	201,241				201,241	0			A	201,241	0
2. Reserve for rate credits or policy experience rating refunds .....					0	0			B	0	0
b. 2015											
1. Accrued retrospective premium .....					0	0			C	0	0
2. Reserve for rate credits or policy experience rating refunds .....					0	0			D	0	0
c. 2016											
1. Accrued retrospective premium .....					0	0			E	0	0
2. Reserve for rate credits or policy experience rating refunds .....					0	0			F	0	0
d. Total for Risk Corridors	201,241				201,241	0				201,241	0

Explanation of Adjustments

- A Not Applicable
- B Not Applicable
- C Not Applicable
- D Not Applicable
- E Not Applicable
- F Not Applicable

24(4)d (Columns 1 through 10) should equal 24E(3)c3 (Column 1 through 10 respectively)

(5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts received from CMS	4 Asset Balance (Gross of Non-admissions) (1-2-3)	5 Non-admitted	6 Net Admitted Asset (4-5)
a. 2014	241,717	0	40,476	201,241	201,241	0
b. 2015	22,739,205	22,739,205	0	0	0	0
c. 2016	35,998,655	35,998,655	0	0	0	0
d. Total (a+b+c)	58,979,577	58,737,860	40,476	201,241	201,241	0

24E(5)d (Columns 4) should equal 24E(3)c1 (Column 9)

24E(5)d (Columns 6) should equal 24E(2)c1

25. Change in Incurred Claims and Claim Adjustment Expenses

- A. Reserves as of March 31, 2019 were \$36,646,801. As of March 31, 2019, \$30,351,359 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$8,599,395 as a result of re-estimation of unpaid claims and claim adjustments expenses principally on the comprehensive line of business. Therefore, there has been a \$7,599,177 favorable prior year development since December 31, 2018 to March 31, 2019. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

NOTES TO FINANCIAL STATEMENTS

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- B. There were no significant changes in methodologies and assumptions used in calculating the liability for unpaid claims and claims adjustment expenses.

26. Intercompany Pooling Arrangements

There were no significant changes for the three months ended March 31, 2019.

27. Structured Settlements

There were no significant changes for the three months ended March 31, 2019.

28. Health Care Receivables

There were no significant changes for the three months ended March 31, 2019.

29. Participating Policies

There were no significant changes for the three months ended March 31, 2019.

30. Premium Deficiency Reserves

The Company did not record premium deficiency reserves at March 31, 2019. The Company recorded a \$ 15,800,000 premium deficiency reserves at December 31, 2018.

1. Liability carried for premium deficiency reserves	\$ 15,800,000
2. Date of the most recent evaluation of this liability	12/31/2018
3. Was anticipated investment income utilized in the calculation?	Yes X No

31. Anticipated Salvage and Subrogation

There were no significant changes for the three months ended March 31, 2019.

STATEMENT AS OF MARCH 31, 2019 OF THE Maine Community Health Options

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? .....

Yes [ ] No [ X ]
- 1.2

If yes, has the report been filed with the domiciliary state? .....

Yes [ ] No [ ]
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? .....

Yes [ ] No [ X ]
- 2.2

If yes, date of change: .....
- 3.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? .....

If yes, complete Schedule Y, Parts 1 and 1A.

Yes [ ] No [ X ]
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end? .....

Yes [ ] No [ X ]
- 3.3

If the response to 3.2 is yes, provide a brief description of those changes.
- 3.4

Is the reporting entity publicly traded or a member of a publicly traded group? .....

Yes [ ] No [ X ]
- 3.5

If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. ....
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? .....

If yes, complete and file the merger history data file with the NAIC for the annual filing corresponding to this period.

Yes [ ] No [ X ]
- 4.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.
- |                |                   |                   |
|----------------|-------------------|-------------------|
| 1              | 2                 | 3                 |
| Name of Entity | NAIC Company Code | State of Domicile |
|                |                   |                   |
5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? .....

If yes, attach an explanation.

Yes [ ] No [ X ] N/A [ ]
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made. ....

12/31/2017
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....
- 6.4

By what department or departments?  
Maine Bureau of Insurance
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? .....

Yes [ ] No [ ] N/A [ X ]
- 6.6

Have all of the recommendations within the latest financial examination report been complied with? .....

Yes [ ] No [ ] N/A [ X ]
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? .....

Yes [ ] No [ X ]
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? .....

Yes [ ] No [ X ]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms? .....

Yes [ ] No [ X ]
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

STATEMENT AS OF MARCH 31, 2019 OF THE Maine Community Health Options

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? .....  
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
(c) Compliance with applicable governmental laws, rules and regulations;  
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
(e) Accountability for adherence to the code.

Yes [ X ] No [ ]
- 9.11

If the response to 9.1 is No, please explain:
- 9.2

Has the code of ethics for senior managers been amended? .....

Yes [ ] No [ X ]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers? .....

Yes [ ] No [ X ]
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? .....

Yes [ ] No [ X ]
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount: .....

\$ .....

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) .....

Yes [ ] No [ X ]
- 11.2

If yes, give full and complete information relating thereto:
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA: .....

\$ .....
13.

Amount of real estate and mortgages held in short-term investments: .....

\$ .....
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates? .....

Yes [ ] No [ X ]
- 14.2

If yes, please complete the following:
- |   | 1   | 2  |
|---|---|--|
|   | Prior Year-End<br>Book/Adjusted<br>Carrying Value | Current Quarter<br>Book/Adjusted<br>Carrying Value |
| 14.21 Bonds .....   | \$ .....0   | \$ .....   |
| 14.22 Preferred Stock .....   | \$ .....0   | \$ .....   |
| 14.23 Common Stock .....  | \$ .....0   | \$ .....   |
| 14.24 Short-Term Investments .....  | \$ .....0   | \$ .....   |
| 14.25 Mortgage Loans on Real Estate .....   | \$ .....0   | \$ .....   |
| 14.26 All Other .....   | \$ .....0   | \$ .....   |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) ..... | \$ .....0   | \$ .....0  |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....                       | \$ .....  | \$ .....   |
- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB? .....

Yes [ ] No [ X ]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? .....  
If no, attach a description with this statement.

Yes [ ] No [ ]
16.

For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1

Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. ....

\$ .....0
- 16.2

Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....

\$ .....0
- 16.3

Total payable for securities lending reported on the liability page. ....

\$ .....0

STATEMENT AS OF MARCH 31, 2019 OF THE Maine Community Health Options

GENERAL INTERROGATORIES

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [ X ] No [ ]
- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Key Private Bank .....	4900 Tiedeman Road, Brooklyn, OH 44144-2302 .....
US Bank .....	1555 N. Rivercenter Dr. Suite 300 Milwaukee, WI 53212 .....

- 17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? ..... Yes [ ] No [ X ]
- 17.4 If yes, give full information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

- 17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation
Key Private Bank .....	U.....
Ed Vozzo .....	I.....

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?..... Yes [ X ] No [ ]

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets?..... Yes [ X ] No [ ]

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With Office of the Comptroller of the Currency .....	5 Investment Management Agreement (IMA) Filed DS.....
Not Applicable .....	Key Private Bank .....	HUX2X73FUCYHUVH1BK78 .....		

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? ..... Yes [ X ] No [ ]
- 18.2 If no, list exceptions:

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
  - b. Issuer or obligor is current on all contracted interest and principal payments.
  - c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
- Has the reporting entity self-designated 5GI securities? ..... Yes [ ] No [ X ]

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
- a. The security was purchased prior to January 1, 2018.
  - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
  - c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
  - d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
- Has the reporting entity self-designated PLGI securities? ..... Yes [ ] No [ X ]



GENERAL INTERROGATORIES

PART 2 - HEALTH

1.

Operating Percentages:

1.1 A&H loss percent

80.2 %

1.2 A&H cost containment percent

3.3 %

1.3 A&H expense percent excluding cost containment expenses

15.3 %

2.1

Do you act as a custodian for health savings accounts?

Yes ☐ No ☒

2.2

If yes, please provide the amount of custodial funds held as of the reporting date

\$

2.3

Do you act as an administrator for health savings accounts?

Yes ☐ No ☒

2.4

If yes, please provide the balance of the funds administered as of the reporting date

\$

3.

Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?

Yes ☒ No ☐

3.1

If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?

Yes ☐ No ☐

## Showing All New Reinsurance Treaties - Current Year to Date

13

STATEMENT AS OF MARCH 31, 2019 OF THE Maine Community Health Options

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories									
States, etc.	1	Direct Business Only							
	Active Status (a)	2	3	4	5	6	7	8	9
		Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums & Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama .....	AL	N						0	
2. Alaska .....	AK	N						0	
3. Arizona .....	AZ	N						0	
4. Arkansas .....	AR	N						0	
5. California .....	CA	N						0	
6. Colorado .....	CO	N						0	
7. Connecticut .....	CT	N						0	
8. Delaware .....	DE	N						0	
9. District of Columbia .....	DC	N						0	
10. Florida .....	FL	N						0	
11. Georgia .....	GA	N						0	
12. Hawaii .....	HI	N						0	
13. Idaho .....	ID	N						0	
14. Illinois .....	IL	N						0	
15. Indiana .....	IN	N						0	
16. Iowa .....	IA	N						0	
17. Kansas .....	KS	N						0	
18. Kentucky .....	KY	N						0	
19. Louisiana .....	LA	N						0	
20. Maine .....	ME	L72,748,247						72,748,247	
21. Maryland .....	MD	N						0	
22. Massachusetts .....	MA	N						0	
23. Michigan .....	MI	N						0	
24. Minnesota .....	MN	N						0	
25. Mississippi .....	MS	N						0	
26. Missouri .....	MO	N						0	
27. Montana .....	MT	N						0	
28. Nebraska .....	NE	N						0	
29. Nevada .....	NV	N						0	
30. New Hampshire .....	NH	L						0	
31. New Jersey .....	NJ	N						0	
32. New Mexico .....	NM	N						0	
33. New York .....	NY	N						0	
34. North Carolina .....	NC	N						0	
35. North Dakota .....	ND	N						0	
36. Ohio .....	OH	N						0	
37. Oklahoma .....	OK	N						0	
38. Oregon .....	OR	N						0	
39. Pennsylvania .....	PA	N						0	
40. Rhode Island .....	RI	N						0	
41. South Carolina .....	SC	N						0	
42. South Dakota .....	SD	N						0	
43. Tennessee .....	TN	N						0	
44. Texas .....	TX	N						0	
45. Utah .....	UT	N						0	
46. Vermont .....	VT	N						0	
47. Virginia .....	VA	N						0	
48. Washington .....	WA	N						0	
49. West Virginia .....	WV	N						0	
50. Wisconsin .....	WI	N						0	
51. Wyoming .....	WY	N						0	
52. American Samoa .....	AS	N						0	
53. Guam .....	GU	N						0	
54. Puerto Rico .....	PR	N						0	
55. U.S. Virgin Islands .....	VI	N						0	
56. Northern Mariana Islands .....	MP	N						0	
57. Canada .....	CAN	N						0	
58. Aggregate Other Aliens .....	OT	XXX0	0	0	0	0	0	0	0
59. Subtotal .....	XXX	72,748,247	0	0	0	0	0	72,748,247	0
60. Reporting Entity Contributions for Employee Benefit Plans .....	XXX							0	
61. Totals (Direct Business) .....	XXX	72,748,247	0	0	0	0	0	72,748,247	0
DETAILS OF WRITE-INS									
58001. ....	XXX								
58002. ....	XXX								
58003. ....	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page .....	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above) .....	XXX	0	0	0	0	0	0	0	0

(a) Active Status Counts:

L - Licensed or Chartered - Licensed Insurance carrier or domiciled RRG.....2

E - Eligible - Reporting entities eligible or approved to write surplus lines in the state.....0

N - None of the above - Not allowed to write business in the state.....55

R - Registered - Non-domiciled RRGs.....0

Q - Qualified - Qualified or accredited reinsurer.....0

Schedule Y - Part 1  
**N O N E**

Schedule Y - Part 1A - Detail of Insurance Holding Company System  
**N O N E**

Schedule Y - Part 1A - Explanations  
**N O N E**

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Response
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? .....	NO

Explanation:

1.

Bar Code:

1. Medicare Part D Coverage Supplement [Document Identifier 365]



STATEMENT AS OF MARCH 31, 2019 OF THE Maine Community Health Options

**OVERFLOW PAGE FOR WRITE-INS**

Additional Write-ins for Assets Line 25

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Prior Year Net Admitted Assets
2504.	Security Deposits .....	15,584	15,584	0	0
2597.	Summary of remaining write-ins for Line 25 from overflow page	15,584	15,584	0	0

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Current year change in encumbrances .....		
4. Total gain (loss) on disposals .....		
5. Deduct amounts received on disposals .....		
6. Total foreign exchange change in book/adjusted carrying value .....		
7. Deduct current year's other than temporary impairment recognized .....		
8. Deduct current year's depreciation .....		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....		
10. Deduct total nonadmitted amounts .....		
11. Statement value at end of current period (Line 9 minus Line 10) .....		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and mortgage investment and commitment fees .....		
9. Total foreign exchange change in book value/recorded investment including accrued interest .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....		
12. Total valuation allowance .....		
13. Subtotal (Line 11 plus Line 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value at end of current period (Line 13 minus Line 14) .....		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	225,000	105,000
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		155,000
2.2 Additional investment made after acquisition .....		0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....		9,909
7. Deduct amounts received on disposals .....		44,909
8. Deduct amortization of premium and depreciation .....		
9. Total foreign exchange change in book/adjusted carrying value .....		0
10. Deduct current year's other than temporary impairment recognized .....		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	225,000	225,000
12. Deduct total nonadmitted amounts .....	225,000	225,000
13. Statement value at end of current period (Line 11 minus Line 12) .....	0	0

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	64,177,338	36,493,233
2. Cost of bonds and stocks acquired .....		41,093,530
3. Accrual of discount .....	63,659	109,682
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration for bonds and stocks disposed of .....	1,800,000	13,400,000
7. Deduct amortization of premium .....	13,834	119,107
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) .....	62,427,163	64,177,338
12. Deduct total nonadmitted amounts .....		0
13. Statement value at end of current period (Line 11 minus Line 12) .....	62,427,163	64,177,338

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a) .....	66,191,805	0	1,800,000	35,358	64,427,163			66,191,805
2. NAIC 2 (a) .....	0				0			0
3. NAIC 3 (a) .....	0				0			
4. NAIC 4 (a) .....	0				0			
5. NAIC 5 (a) .....	0				0			
6. NAIC 6 (a) .....	0				0			
7. Total Bonds	66,191,805	0	1,800,000	35,358	64,427,163	0	0	66,191,805
PREFERRED STOCK								
8. NAIC 1 .....	0				0			
9. NAIC 2 .....	0				0			
10. NAIC 3 .....	0				0			
11. NAIC 4 .....	0				0			
12. NAIC 5 .....	0				0			
13. NAIC 6 .....	0				0			
14. Total Preferred Stock .....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	66,191,805	0	1,800,000	35,358	64,427,163	0	0	66,191,805

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:  
NAIC 1 \$ 2,000,000 ; NAIC 2 \$ ; NAIC 3 \$ NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$.



SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals	2,000,000	xxx	2,046,500		

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	2,014,467	2,003,380
2. Cost of short-term investments acquired .....		2,046,500
3. Accrual of discount .....		0
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....		2,000,000
7. Deduct amortization of premium .....	14,467	35,413
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	2,000,000	2,014,467
11. Deduct total nonadmitted amounts .....		0
12. Statement value at end of current period (Line 10 minus Line 11)	2,000,000	2,014,467

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

**N O N E**

Schedule DB - Part B - Verification - Futures Contracts

**N O N E**

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

**N O N E**

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

**N O N E**

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of  
Derivatives

**N O N E**

STATEMENT AS OF MARCH 31, 2019 OF THE Maine Community Health Options

SCHEDULE E - PART 2 - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	75,558,087	11,658,332
2. Cost of cash equivalents acquired .....	2,647,403	137,518,182
3. Accrual of discount .....		0
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....	57,184	73,618,427
7. Deduct amortization of premium .....		0
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	78,148,306	75,558,087
11. Deduct total nonadmitted amounts .....		0
12. Statement value at end of current period (Line 10 minus Line 11)	78,148,306	75,558,087

Schedule A - Part 2 - Real Estate Acquired and Additions Made

**N O N E**

Schedule A - Part 3 - Real Estate Disposed

**N O N E**

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

**N O N E**

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

**N O N E**

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

**N O N E**

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

**N O N E**

Schedule D - Part 3 - Long-Term Bonds and Stocks Acquired

**N O N E**

## SCHEDULE D - PART 4

[illegible]

E05

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open  
**N O N E**

Schedule DB - Part B - Section 1 - Futures Contracts Open  
**N O N E**

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made  
**N O N E**

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open  
**N O N E**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By  
**N O N E**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To  
**N O N E**

Schedule DL - Part 1 - Reinvested Collateral Assets Owned  
**N O N E**

Schedule DL - Part 2 - Reinvested Collateral Assets Owned  
**N O N E**

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
					First Month	Second Month	Third Month	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date				*
Key Bank, N.A. .... Portland, ME .....					.....(671,352)	.....(1,698,250)	.....(56,943)	..XXX.
Key Bank, N.A. .... Portland, ME .....	RA				.....19,552,500	.....28,577,500	.....28,767,500	..XXX.
0199998. Deposits in ... depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories	XXX	XXX						XXX
0199999. Totals - Open Depositories	XXX	XXX	0	0	18,881,148	26,879,250	28,710,557	XXX
0299998. Deposits in ... depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories	XXX	XXX						XXX
0299999. Totals - Suspended Depositories	XXX	XXX	0	0	0	0	0	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	18,881,148	26,879,250	28,710,557	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999. Total - Cash	XXX	XXX	0	0	18,881,148	26,879,250	28,710,557	XXX

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

[illegible]